



European Centre of Expertise (ECE) in the field of labour law, employment and labour market policy

Ad hoc request on gender employment gap in Belgium

Belgium Country report

Written by Prof. Ludo Struyven, HIVA,
KU Leuven

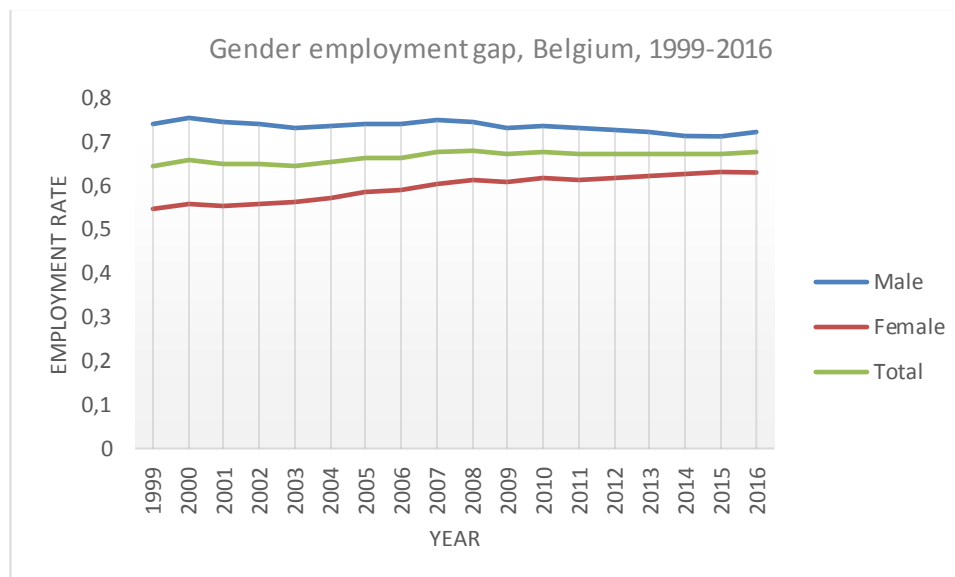
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1 Introduction

The recent edition of the Labour Force Survey (LFS) in Belgium shows an increase in the employment rate for 2016; however, it is only to men that this increase applies, while for women it remains the same. What this suggests is that the gender employment gap has reached a tipping point. The question remains as to whether this is correct, and if so, what are the drivers? In order to answer these questions, we initially focus on the LFS source itself. Initially we examine whether this phenomenon in Belgium is also reflected in each of its three regions, or whether it is limited to one particular region. Next, we check the same LFS source to find out which subgroups most exhibit this trend, based on the characteristics of age, educational level and migration background.

■■■■■ *Employment rate for men and women, aged 20-64, Belgium (1999-2016)*



Source: LFS

2 Statistical trend change ?

According to LFS data in Figure 1, the employment rate for women in Belgium (20-64 year-olds category) remains stable at 63,0% in 2016 compared to 2015, after a steady increase since 2011. At the same time, the employment rate for men during the most recent period increases very slightly, from 71,3% in 2015 to 72,3% in 2016, a reversed trend after a decreasing trend since 2011. This slight trend shift is more pronounced in the Flemish Region. As Figure 2 shows, we observe a decrease for women from 68,2% in 2015 to 67,7% in 2016, while for men the employment rate increases from 75,6% in 2015 to 76,3% in 2016.

More specifically, the female employment rate for 2016 differs only from the general trend for the Flemish Region, in particular the group of 25-49 year old in 2016-Q1 compared to 2015-Q1. Although the annual figures are based on quarterly data, we see for women in the Flemish Region a very strong 1st quarter of 2015 (69,4%). And this pushes the annual figure for 2015 quite upwards. Idem dito for the trend levels (average of the last four quarters) of the quarters 2015-I to 2015-IV. The fact that the decline for 2016 is mainly due to one quarter, points in the direction of a statistical blimp. In what follows, we will check this

statement after checking for trends in the numerator and denominator and trends based on other sources.

Next, we need to ascertain whether we can speak statistically of a trend change. Pure statistically, we can hardly speak of a reversal of the trend. Therefore, we should look at the confidence interval. Confidence intervals tell us the most likely range of the unknown population average or percentage. The method used to calculate confidence intervals provides an interval in which the unknown population average is in 95% of all cases. The interval is the result of chance. The width of the interval depends not only on the confidence level (in most cases 95%), but also on the variability of the population (as measured by standard deviation) and the sample size. For the Flemish Region, the changing employment rates for men and women between 2015 and 2016 remain within the confidence interval, as is shown in

Confidence intervals of the employment rate, person aged 20 to 64, Flemish Region, 2015 and 2016

2016			
	Estimate	Lower limit	Upper limit
Total	72,0%	71,5%	72,5%
Male	76,3%	75,7%	77,0%
Female	67,7%	66,9%	68,4%
2015			
	Estimate	Lower limit	Upper limit
Total	71,9%	71,4%	72,4%
Male	75,6%	75,0%	76,2%
Female	68,2%	67,5%	68,9%

Source: Algemene Directie Statistiek - Statistics Belgium, Labour Force Survey

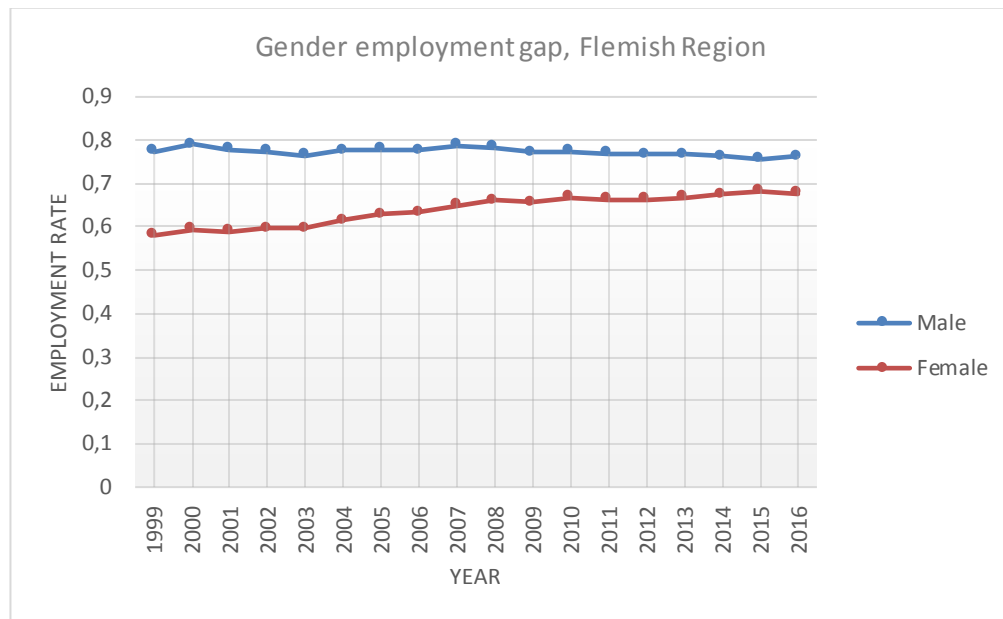
3 Evolution of the gender employment gap: trends based on the LFS

3.1 The phenomenon can be traced back to one of the regions in particular, specifically the Flemish Region

When the employment rate drops, there are several possible fluctuations in the numerator and/or the denominator: 1) the numerator decreases while the denominator remains constant; 2) the numerator decreases as the denominator rises; 3) the numerator remains constant while the denominator rises; 4) the numerator rises while the denominator rises even more.

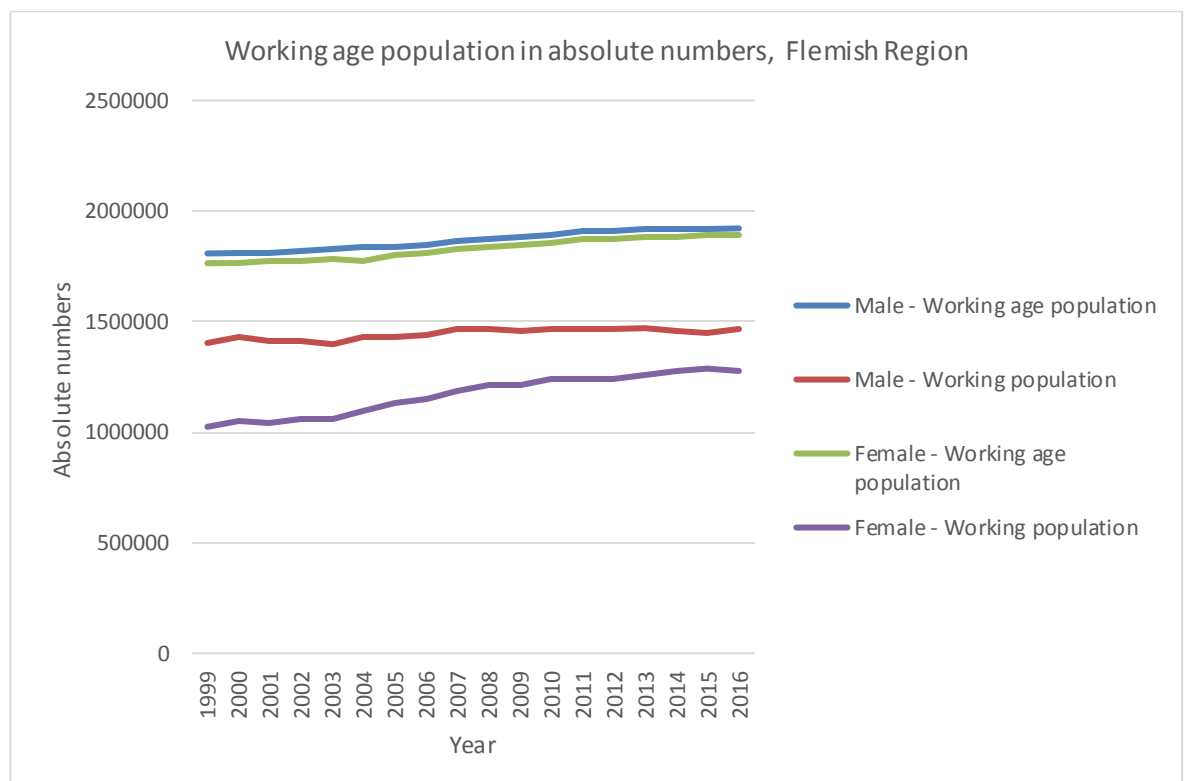
As stated above, we compare the recent evolution of the three regions in Belgium. What stands out are the recent differences between the regions. First of all, it appears that the phenomenon wholly takes place in the Flemish Region. The explanation cannot be attributed to the fact that the labour force of those employed and those seeking work is more on the increase for women than it is for men (= difference in the denominator). This is shown in Figure 3. In absolute numbers, men and women's development is nearly identical (the two lines run closely together in the graph).

Employment rate for men and women, aged 20-64, Flemish Region (1999-2016)



Source: Algemene Directie Statistiek - Statistics Belgium, Labour Force Survey

Evolution of the working population and working age population, aged 20-64, Flemish Region (1999-2016)



Source: Algemene Directie Statistiek - Statistics Belgium, Labour Force Survey

The distinction between rates and absolute numbers illustrates why the employment rate in the Brussels Region continues to remain stuck at the same level for both men and women: not only the numerator but also the denominator for both groups is on the upturn. The group of employed women in the Walloon Region is rising more than that of the national female labour force, which has led to an overall increase in the employment rate. The group of employed men remains fairly stable, leading to a slight decrease in the ratio.

3.2 The phenomenon resides with three subgroups

Next, we examine to what extent we can localise the phenomenon in one of the following subgroups: 1) women within a certain age range based on the available categories <25; 25-49; 50-64; 2) low-skilled women according to the highest level of schooling accomplished); 3) women with a migration background according to country of birth (non-EU 28).

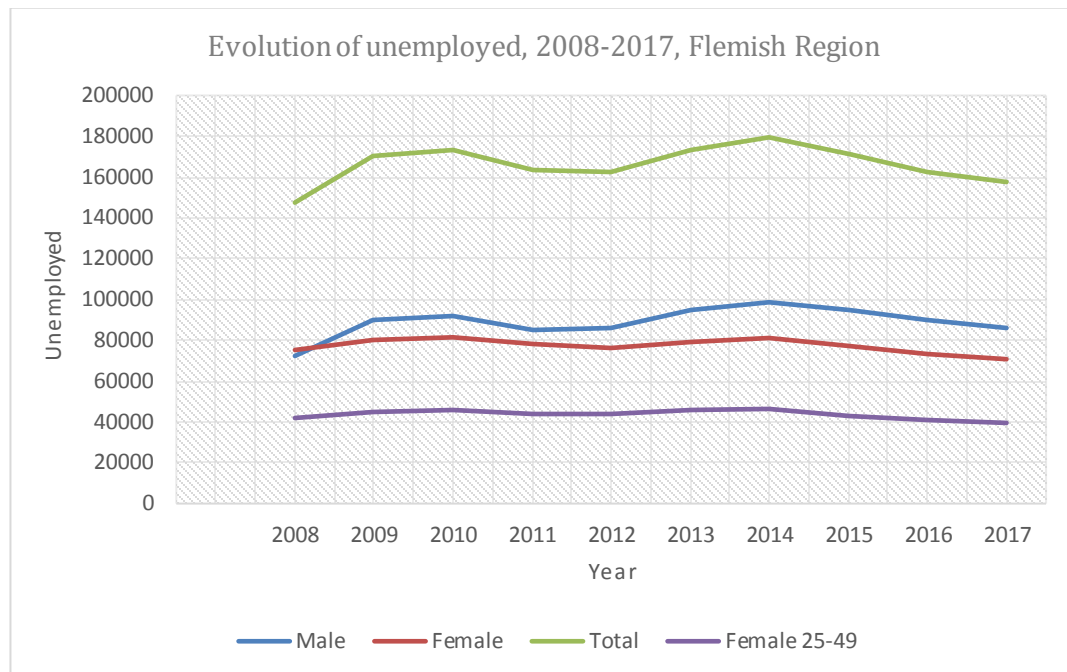
By age group, the employment gap is concentrated in the age group of 25-49 year-olds, among low-skilled women and women with a migration background. The pattern is consistent: a slightly declining employment rate in the female subgroup, combined with a slight upturn in the employment rate for the corresponding male subgroup. In addition, this pattern has not been identified for the other regions, except for the comparison between the women and men's migration subgroups.

With regard the slightly upward trend among men, as is reflected by National Social Security (RSZ/ONSS) statistics, this is due to the growth of industries in which many men typically are employed.

3.3 Are these trends confirmed by other sources?

One possible source of distorted understanding of the LFS figures may derive from the evolution of unemployed jobseekers. If we check the evolution of this group, which comprises part of the denominator, against the evolution recorded in the Belgian RVA/ONEM administration source, it appears that unemployment for women between 25-49 year-olds in the Flemish Region (fully unemployed people receiving benefits; annual average) has gone down in the past three years (2014-2016), from 46.395 in 2014 to 42.695 in 2015 and 40.722 in 2016.

Evolution of unemployed benefits recipients, Flemish Region (2008-2017)



Source: RVA/ONEM (2017 average of first 8 months)

According to the LFS, female unemployment among 25-49 year-olds in the Flemish Region is also decreasing, although inconclusively: from 67,241 in 2014 to 62,766 in 2015 and 63,359 in 2016. This most recent increase could possibly be one of the key factors underlying the stagnating employment rate among women.

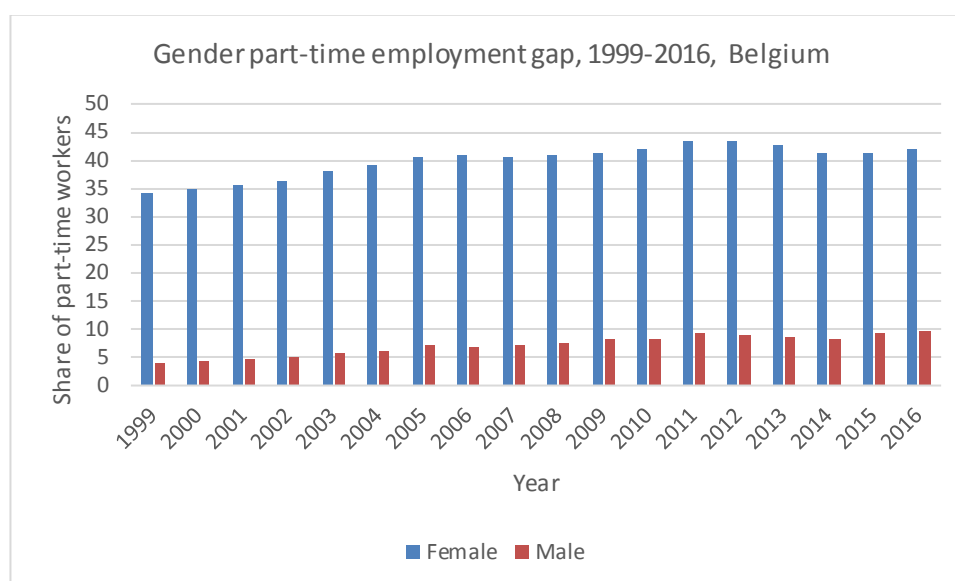
4 Evolution of the gender part-time employment gap: trends based on LFS and Dynam

4.1 Part-time employment increases for both men and women

Based on existing sets of figures, we know that part-time work is primarily attributed to women.

First of all, figure 5 based on LFS data shows that both men and women are increasingly in part-time employment. As a result, the part-time employment gap between men and women persists.

Share of part-time workers among men and women in Belgium (1999-2016)



Source: Algemene Directie Statistiek - Statistics Belgium, Labour Force Survey

Dynam-based figures for the full population of wage earners in Belgium are a good source for mapping the evolution of full-time and part-time employment, as this source enables a focus on the gross stream of recruitment. We focus on the recruitment dynamics, i.e. the gross component of new employees in a company separate from the component of employees who have left the company. In other words, this is not about net jobs created at the company level. By not incorporating the employees who were already active during a certain period of time in the analysis (the so-called stayers within a company), we were able to prevent the observed changes in the employee labour regime being too heavily influenced by the personal choices of employees (e.g., by choosing part-time work in the context of time credit). In this way, recruitments function as a clearer measure of the properties of newly created jobs.

Table 2 lists the recruitments to labour regimes according to the National Social Security Office (RSZ/ONSS) categories 'full-time', 'part-time' and 'special'. This is specifically about full-time contracts, part-time contracts and flexible workers with short-term and irregular contracts, including temporary workers, seasonal workers and contract workers (in the catering industry, agriculture and horticulture).

In 2015, approximately 50% of the recruitments relate to full-time employment contracts, while the other half deviates from this. 30% are part-time jobs and 20% are short-term and irregular contracts. Men are more often employed as full-time employees than women (60% and 37%, respectively); nearly half of the recruitments of women are for part-time jobs (47%, compared to 16% for men). A quarter of men's recruitments involve short-term or irregular contracts.

For the period spanning 2008-2015, we also see a continuation of the part-time employment gap between men and women based on the Dynam source. The share of part-time work among men and among women remains approximately the same.

The majority of part-time jobs are jobs with a percentage of between 36 and 65% (half-time jobs, accounting for 48% of part-time intake), followed by jobs of between 66 and 95% (31% of part-time intake).¹

Evolution in the share of full-time and part-time among new entrants, Belgium (2008 and 2015)

Gross flow of new entrants	2018-Q2		2015-Q2		New entrants + incumbent employees 2015-Q2	
	Male	Female	Male	Female	#	%
Full-time	68.2	40.5	60.1	37.1	2 136 735	61.1
Part-time	13.7	45.0	16.0	46.6	1 206 781	34.5
Special	18.2	14.4	23.9	16.2	154 327	4.4
Total	100.0 369 722	100.0 318 740	100.0 312 388	100.0 271 263	3 497 843	100.0

Source: Dynam, RSZ, HIVA-KU Leuven

In a following step, we consider the labour regime, now divided by NACE sector and gender². From this, it appears that there are some obvious sectoral differences. In this way there are more full-time contracts for new recruits in the more 'male' sectors of construction or industry: up to 90% of new employment contracts, as compared to the 49% average. At the same time, there are more part-time contracts in the 'female' sectors of public administration, education and healthcare and social services, weighted between 55 and 58% compared to the 30% average. More women start with part-time work than men in every sector. For newly-recruited women in social services and healthcare, up to 65% work part-time; in industry and construction, it is 25 and 40%, respectively.

5 Conclusion

Following most recent figures from LFS for Belgium, one would conclude that the gender employment gap is increasing after a multi-annual trend since 2011 of a decreasing employment gap, and that recent improvements in overall employment rates have been driven only by the male component of the workforce.

When looking at the numerator based on LFS data, both male and female workers continue to grow in absolute numbers in recent years up to 2016. The opposite applies to unemployment, which forms part of the denominator: both male and

¹ We use the classification drawn up by the NSSO. With regard to the category 'special', the volume of work is measured by the extent to which the period deviates from what a full-time employee must accomplish. A contract for a full working day is thus seen as a full-time contract. It is for this reason that we limit ourselves to the volume of work of part-time entrants in this discussion.

² For more details see : Goesaert, T., & Struyven, L. (2017). *Voltijds, deeltijds of als flexwerker bij een nieuwe werkgever. Trends in de aanwervingsdynamiek op de Belgische arbeidsmarkt*. DynaM Review 2017/1

female unemployment benefit recipients continue to decline in absolute numbers between 2015 and 2016.

After having checked several sources one may conclude that recent employment rates are not a tipping point of a worrying trend. It seems that the deviation in recent LFS data from 2016 compared to 2015 is a statistical blimp, mainly due to the first quarter of 2015 for women. In other words, it is not a deviation from the general trend of a decreasing employment gap between men and women.

Part-time employment, on the contrary, is still unequally divided between men and women. The part-time gap continues to exist even in the most recent period of economic upturn, as is shown by LFS data as well as administrative Dynam data on new entrants in firms.